

HF933 - 0 - Lease Levy Authorization for Transportation Hub

Chief Author: **Lucille Rehm**
 Committee: **Education Finance**
 Date Completed: **2/1/2023 11:14:28 AM**
 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 2/1/2023 11:14:28 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill allows lease levy to fund the retirement of a lease purchase agreement. The lease purchase agreement will provide the funds for the acquisition of a transportation hub by District 112, Eastern Carver County Schools. The district must demonstrate significant cost savings to the commissioner for this lease levy authorization.

Assumptions

The district has costs estimates for the project at approximately \$15,000,000. The lease levies for this project estimated by the district will be approximately \$1,000,000 in principal and interest per year for 20 years.

The costs for this project are within the district's lease levy authority of \$212 times the adjusted pupil units for the fiscal year to which the levy is attributable (M.S. 126C.40, Subd.1(e)).

There are no state aid impacts.

Expenditure and/or Revenue Formula

Estimated expenditures have been supplied by staff at District 112.

Long-Term Fiscal Considerations

No district currently has a lease levy authorization for the acquisition costs of a transportation hub. Other districts may also request this lease levy authorization for a transportation hub.

Local Fiscal Impact

District 112's annual levy for this project will be \$1,000,000.

References/Sources

Data was provided by staff at District 112, Eastern Carver County Schools.

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